



STATE OF IOWA

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DEPARTMENT OF HUMAN SERVICES
KEVIN W. CONCANNON, DIRECTOR

Informational Letter No. 663

December 28, 2007

To: Hospitals Billing With CPT and/or HCPCS Level II Procedure Codes
From: The Iowa Department of Human Services, Iowa Medicaid Enterprise
RE: New 2008 CPT and HCPCS Level II Coding Updates
Effective Date: January 1, 2008

The Iowa Medicaid Enterprise (IME) is updating the Medicaid Management Information System (MMIS) to reflect new 2008 CPT and HCPCS Level II codes that will be effective January 1, 2008. These updates will involve addition of new codes/descriptions, as well as deleting discontinued codes from payable status.

All Iowa Medicaid providers that bill for covered services using CPT and/or HCPCS Level II codes MUST begin using the 2008 CPT and 2008 HCPCS Level II codes for all dates of service on/after January 1, 2008. Any claims for dates of service on/after January 1, 2008 using a CPT or HCPCS Level II code that is no longer valid for 2008 will be denied. Should this occur, providers may resubmit the claim with the appropriate correct 2008 code.

Special Note: The IME does not receive the updated APG grouper software from 3M in time to have the MMIS fully updated for outpatient claims by January 1. We have learned from past experience that until the grouper is updated, claims with NEW codes will not group to the appropriate APG and will deny incorrectly. **Therefore, the IME will suspend all such claims until the APG grouper is updated in order to avoid incorrect payments. Please note that this will affect the entire claim, not just the line item(s) including the new CPT or HCPCS Level II code.** Any claims that suspend for this reason will be reprocessed when the new grouper is installed. This is the same process followed last year and will mean that claims will not need to be re-processed or go through a mass adjustment process.

Remember, these changes are effective for dates of service on/after January 1, 2008.

If you have any questions, please contact IME Provider Services at 1-800-338-7909 or locally 515-725-1004, or by e-mail at: imeproviderservices@dhs.state.ia.us.